

W | A | M *Leaders*

Investment update

As at 30 April 2018



Snapshot

Pre-tax net tangible assets

\$1.18

Gross assets

\$836.9m

Annualised fully franked
interim dividend

5.0C

Performance
(p.a. since May 2016)

12.7%

wilsonassetmanagement.com.au

ABN: 33 611 053 751

WAM Leaders Limited

ASX code	WLE
Listed	May 2016
Gross assets	\$836.9m
Market cap	\$787.6m
Share price	\$1.12
NTA before tax	\$1.18
Shares on issue	703,203,693
Number of stocks held	64
Annualised fully franked interim dividend (FY2018)	5.0c

Investment objectives

- Deliver investors a stream of fully franked dividends
- Provide capital growth
- Preserve capital

Wilson Asset Management investment & management team

Geoff Wilson AO	Chairman & Portfolio Manager
Kate Thorley	Chief Executive Officer
Chris Stott	Chief Investment Office & Portfolio Manager
Matthew Haupt	Portfolio Manager
Catriona Burns	Portfolio Manager
Martin Hickson	Portfolio Manager
Oscar Oberg	Portfolio Manager
John Ayoub	Senior Equity Analyst
Tobias Yao	Senior Equity Analyst
Cooper Rogers	Assistant Dealer

Company overview

WAM Leaders Limited (ASX: WLE) is a listed investment company managed by Wilson Asset Management. Listed in 2016, WAM Leaders provides investors with diversified exposure to a portfolio of undervalued growth companies within the S&P/ASX 200 Index and exposure to market mispricing opportunities in large-cap companies.

Shareholder Presentations

Hobart & Launceston	11 May
Canberra	14 May
Sydney	15 May
Brisbane	16 May
Toowoomba	17 May
Perth	21 May
Adelaide	22 May
Melbourne	24 May

RESERVE YOUR PLACE NOW

WAM Global initial public offering

WAM Global launched its initial public offering (IPO) on 2 May and exceeded the minimum offer proceeds on the same day. The general and priority offers are open and expected to close on 8 June. WAM Leaders shareholders are eligible to take part in the \$165 million priority allocation to the Wilson Asset Management Family.

Visit www.wilsonassetmanagement.com.au/global to participate in the IPO.

Portfolio update

The WAM Leaders investment portfolio increased 4.2% in April, outperforming the S&P/ASX 200 Accumulation Index by 0.3%. In the past 12 months, the investment portfolio has increased 14.0%, outperforming the Index by 8.5%.

Resources led the month's gain following a raft of positive quarterly results. Noteworthy contributors to the portfolio outperformance included BHP Billiton (ASX: BHP) up 9.7%, Rio Tinto (ASX: RIO) up 9.9%, South32 (ASX: S32) up 15.5% and Alumina (ASX: AWC) up 11.9%. In addition, oil and gas company Santos (ASX: STO) rallied 21.1% during the month on news of its proposed \$13.5 billion takeover offer by US-based Harbour Energy. We believe the proposed takeover is positive for the Australian liquefied natural gas sector as it highlights continued strong demand for the commodity. Due diligence on this prospective deal is expected to finish later this month. We own STO as a market-driven investment in the portfolio.

Market update

The S&P/ASX 200 Accumulation Index finished up 3.9% in April, rebounding strongly following a weak March, which saw the Index fall 3.8%. This was led by robust Chinese economic growth data, driving commodity prices up, and an abatement in geopolitical risks, particularly surrounding 'trade wars'. The International Monetary Fund maintained its positive outlook on global economic growth, forecast to be 3.9% in 2018, the best annual growth rate since 2011.

Performance

Performance at 30 April 2018	1 mth	3 mths	6 mths	Fin YTD	Since inception 1 yr (May-16)	%pa
WLE Investment Portfolio*	4.2%	2.2%	6.6%	14.0%	14.0%	12.7%
S&P/ASX 200 Accumulation Index	3.9%	0.3%	3.4%	8.3%	5.5%	10.1%
Outperformance	+0.3%	+1.9%	+3.2%	+5.7%	+8.5%	+2.6%

*Investment performance and Index returns are before expenses, fees and taxes.

May 2018 Shareholder Presentations

This month, we will be travelling across the country to meet with investors about our LICs, including WAM Global. We will also discuss investment themes, trends and opportunities we are seeing across Australian and global equity markets. Lunch will be served following the presentations, so we encourage you to stay and talk to the team. [Register now!](#)

Net tangible asset (NTA) figures

The following NTA figures are **after** the 2.5 cents per share fully franked interim dividend paid on 27 April 2018. Since inception, WAM Leaders has paid 5.5 cents per share in fully franked dividends to shareholders.

NTA before tax	117.96c*
NTA after tax and before tax on unrealised gains	118.00c
NTA after tax	115.78c

*The NTA before tax figure is after the payment of \$115K (0.02 cents per share) in FY2018 tax during the month.

Diversified portfolio

Investment type	March 2018		April 2018	
	\$m	%	\$m	%
Listed equities	738.2	90.0	747.7	89.3
Short portfolio	0.0	0.0	0.0	0.0
Fixed interest & cash	81.9	10.0	89.2	10.7
Gross assets	820.1m	100.0	836.9m*	100.0
Total shares on issue	702,250,762		703,203,693**	

*This figure is after the 2.5 cents per share fully franked interim dividend paid on 27 April 2018 and \$115K in tax paid during the month.

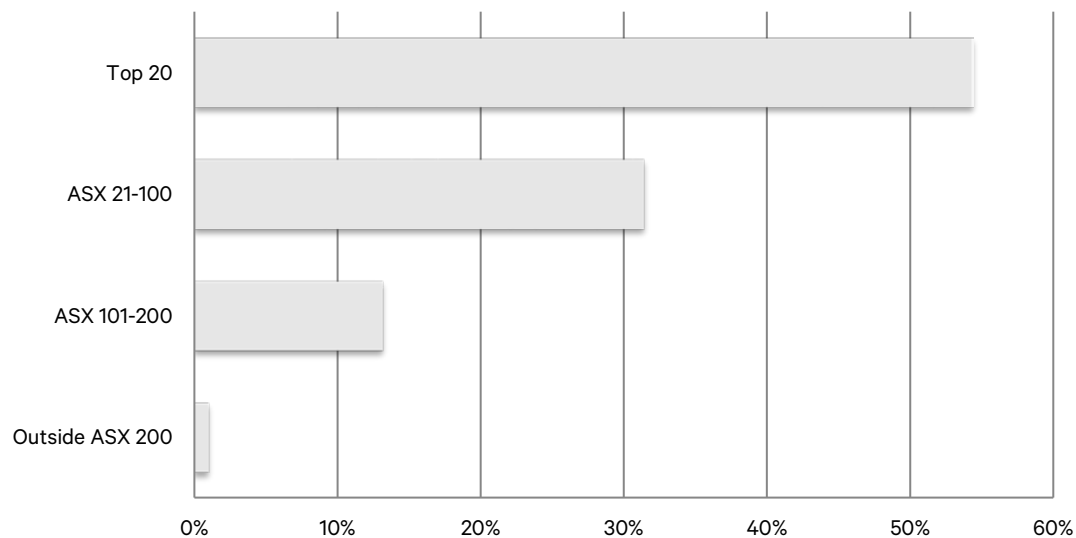
**During the month, 952,931 shares were issued under the Dividend Reinvestment Plan (DRP) for the interim dividend.

Top 20 holdings

Code	Company	Code	Company
BHP	BHP Billiton Limited	ORG	Origin Energy Limited
CBA	Commonwealth Bank of Australia	QBE	QBE Insurance Group Limited
CSL	CSL Limited	RIO	Rio Tinto Limited
EVN	Evolution Mining Limited	SCG	Scentre Group
FMG	Fortescue Metals Group Limited	SGR	The Star Entertainment Group Limited
IAG	Insurance Australia Group Limited	TAH	Tabcorp Holdings Limited
JHX	James Hardie Industries Plc	WES	Wesfarmers Limited
MQG	Macquarie Group Limited	WBC	Westpac Banking Corporation
MTR	Mantra Group Limited	WPL	Woodside Petroleum Limited
NAB	National Australia Bank Limited	WOW	Woolworths Group Limited

The Top 20 Holdings are presented in alphabetical order.

Equity portfolio composition by market capitalisation



Fully franked dividends

On 27 April 2018, the Company paid a fully franked interim dividend of 2.5 cents per share, an increase on the prior year. The Board is committed to paying an increasing stream of fully franked dividends to shareholders, provided the Company has sufficient profit reserves and franking credits and it is within prudent business practices. The Company's ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax.